



KEY ATTRIBUTE #1: CONSISTENT FIDUCIARY GOVERNANCE

Let's get something out of the way first. The primary goal of the retirement plan is to help your employees have successful outcomes.

By focusing on how to make that as simple as possible for the least sophisticated employee, you will remove a lot of the noise that gets in the way of success.

Good fiduciary governance means implementing the right internal practices to create successful outcomes for your employees. But how do you know what the right practices are? The same way your employees know about the retirement plan and what is needed for financial success. **EDUCATION!**

While fiduciary training is on the rise, it's still lacking among smaller plans. What is fiduciary training you may ask? It focuses on the following items:

- 1) Overview of ERISA
- 2) Fiduciary Status and Duties
- 3) Plan Management
- 4) Investments and Fees
- 5) Vendor Selection & Management
- 6) Litigation Lessons
- 7) Other Issues and Best Practices

No matter the size of your organization, you need to understand your fiduciary responsibilities. If you're a small business with one decision maker or a larger company with a 5-person retirement plan committee, you need to have formal education at least annually.

Also, education is just one part of the equation. The other parts include:

- 1) **Committee Meetings** - actually meeting on a consistent basis will do wonders for your plan. For smaller plans, this may mean once or twice a year. For larger plans, it could mean quarterly. Instead of talking about the same thing at each quarterly meeting, make sure to create "themes" for each one (i.e. education, fee benchmarking, fiduciary education).
- 2) **Documentation** – everything from a committee charter to meeting minutes, making sure you document and review your decisions will help you manage the plan as well as assist new members.

If you haven't had any type of formal education on your fiduciary responsibilities and would like a guide to what you should be reviewing, please reach out and we'd be happy to help. We have our annual fiduciary guide, committee document samples, and other checklists to help you better govern your plan.